

AN ACT TO PROVIDE FOR THE CLASSIFICATION OF CIVILIAN POSITIONS AND STANDARDIZATION OF SALARIES IN THE GOVERNMENT.

Commonwealth Act No. 402, September 13, 1938

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Be it enacted by the National Assembly of the Philippines:

SECTION 1. Scope.—The provisions of this Act shall apply s to all officers and employees of the National Government: embraced in the classified and unclassified civil service, except (a) elective officers and officers whose compensation is fixed in the Constitution; (b) officers chosen by the National Assembly, in accordance with the Constitution; (c) employees stationed outside the territorial limits of the Philippines; (d) the president, deans of colleges, directors of schools, the registrar, the business director and members of the teaching staff of the University of the Philippines; (e) commissioned and enlisted members in the active service of the Philippine Army; (f) persons in the military, naval, or civil service of the United States who may be appointed or detailed to perform duties in the Government of the Commonwealth; and (g) employees who may be declared by the President of the Philippines as primarily confidential or highly technical.

SEC. 2. Definitions.—As used in this Act:

- The term "class" means a position or group of positions sufficiently similar in respect to the duties and responsibilities thereof that the same requirements as to education, experience, knowledge, and ability are demanded of incumbents; the same tests of fitness are used to choose qualified appointees; and the same rate of compensation is made to apply with equity. The distinction between classes shall be based upon any essential difference in the nature, importance, difficulty, responsibility, or value of the work.
- The term "grade" means a horizontal division of a service or group for which approximately the same level of compensation and comparable basic qualifications is prescribed, the distinction between grades being based upon differences in the importance, difficulty, responsibility, and value of the work.
- The term "group" means a vertical division of a service embracing positions pertaining to the same line of profession, vocation, employment, occupation, or specialization
- The term "compensation" means any salary, wage fee, allowance, or other emoluments accruing or paid to an employee occupying a position.
- The term "Board" means "The Salary Board."

SEC. 3. Schedule of grades and rates of compensation.

With the exception of the special groups provided in section five hereof, the positions to which this Act applies are classified into ten grades. Such grades and their rates of annual compensation are as follows:

Rate of compensation

Grade

1

P5.100

P5,400

P6.000

2

P3,960

4,200

4,500

4,800

3

3,120

3,300

3,480

3,720

4

2,400

2,580

2,760

2,940

5

1,920

2,040

2,160

2,280

6

1,440

1,560

1,680

1,800

1

960

1,080

1,200

1,320

8

720

780

840

900

9

480

540

600

660

10

360

420

- Grade 1 shall include all classes of positions the duties of which are, under administrative direction and with very wide latitude for the exercise of independent judgment, to serve as head of a very large or very important division or other unit of organization of similar import, engaged in work involving technical training and extended experience on the part of the employees; or to supervise the design and installation of complex and important accounting, office, or institutional system, methods, and procedures; or to plan, organize, and conduct investigations in original research or in development work in professional, scientific, or technical fields; or to perform the most important, difficult, and responsible work along highly specialized professional, scientific, or technical lines, requiring training, extended experience, and demonstrated attainments of an exceptionally high order.

- Grade 2 shall include all classes of positions the duties of which are, under administrative direction and with wide latitude for the exercise of independent judgment, to serve as head of a large or important division or other unit of organization of similar import, engaged in work involving technical training and extended experience on the part of the employees; or to plan, organize, and conduct investigations in original research or in development work in a professional, scientific, or technical field; or to perform the most important, difficult, and responsible work along specialized professional, scientific, or technical lines, requiring training, extended experience, and demonstrated attainments of a high order.

- Grade 3 shall include all classes of positions the duties of which are, under administrative direction and with considerable latitude for the exercise of independent judgment, to serve as head of a division or other unit of organization of similar import, engaged in work involving technical training and considerable experience on the

part of the employees; or to perform exceptionally difficult, important, and responsible work along professional, scientific, and technical lines, requiring training and extended experience and demonstrated attainments or along very highly specialized clerical lines requiring extended training and mastery in stenography, translation, or other kindred subjects.

- Grade 4 shall include all classes of positions the duties of which are, under direction and with considerable latitude for the exercise of independent judgment, to serve as head of a small division, or of a very large or very important section, or other unit of organization of similar import, engaged in work involving technical training and considerable experience on the part of the employees; or to perform very difficult, important, and responsible work along professional, scientific, or technical lines, requiring training, considerable experience, and demonstrated executive ability, or along highly specialized clerical work, requiring training, extended experience and proficiency in stenography, or translation and kindred subjects.

- Grade 5 shall include all classes of positions the duties of which are, under direction and with considerable latitude for the exercise of independent judgment, to serve as head of a large section or other unit of organization of similar import, engaged in difficult specialized work; or to perform difficult, important, and responsible work along professional, scientific, technical or specialized clerical lines, requiring training, considerable experience, and demonstrated capacity for sound independent work, and an intimate knowledge of a special subject matter, and/or superior skill in crafts or arts.

- Grade 6 shall include all classes of positions the duties of which are, under direct supervision and with substantial latitude for the exercise of independent judgment, to serve as head of a section or other unit of organization of similar import, engaged in varied and difficult work; or to perform moderately difficult, important, and responsible work along professional, scientific, technical, or specialized clerical lines, requiring training and moderate experience, or a lower training but considerable experience, thorough knowledge of a special subject matter, and/or unusual skill in crafts or arts.

- Grade 7 shall include all classes of positions the duties of which are, under general supervision and with some latitude for the exercise of independent judgment, to serve as head of a small section or other unit of organization of similar import, engaged in difficult but routine work; or to perform somewhat difficult, and responsible work along professional, scientific, or technical lines, or along clerical lines, requiring training and moderate experience, or lower training but considerable experience, and a good knowledge of a special subject matter; or skill in arts, crafts, or trades.

- Grade 8 shall include all classes of positions the duties of which are, under immediate or general supervision and with some latitude for the exercise of independent judgment, to perform responsible work along technical or clerical lines, requiring training and moderate experience, and a broad knowledge of a special subject matter; or simple elementary work requiring scientific or professional training with little or no experience; or subordinate professional or scientific work requiring training and experience; or important, difficult, and responsible subordinate vigilance work; or skill in crafts or manual labor.

- Grade 9 shall include all classes of positions the duties of which are, under immediate or general supervision and with limited latitude for the exercise of independent judgment, to perform simple but responsible work along technical, clerical, messengerial, or subordinate vigilance lines; or simple and elementary subordinate professional or scientific tasks, or semi-skilled crafts or manual labor, requiring training or advanced apprenticeship in subordinate professional or scientific work, or crafts.

- Grade 10 shall include all classes of positions the duties of which are, under immediate supervision, to perform the simplest routine clerical, messengerial, or custodial tasks, or unskilled manual labor, including apprenticeship

in subordinate professional or scientific work or crafts.

SEC. 4. Services established by this Act.—The following services are established:

- I. Administrative Service
- II. Professional and Scientific Service
- III. Educational Service
- IV. Navigation Service
- V. Vigilance Service
- VI. Subprofessional Service
- VII. Craft and Labor Service

The Administrative Service shall include all groups comprehending positions the duties of which are in general to perform administrative, fiscal, or clerical work, or any other work commonly associated with office, business or fiscal administration. There shall be ten grades in this service.

The Professional and Scientific Service shall include all groups comprehending positions the duties of which are to perform routine, advisory, administrative, or research work which is based upon the established principles of a profession or science, and which requires professional or scientific training equivalent to that represented by graduation from a college or university of recognized standing. There shall be eight grades in this service, the highest of which being Grade 1 and the lowest Grade 8.

The Educational Service shall include all groups comprehending positions the duties of which in general are to give or to supervise regular and systematic instruction designed to develop the mental, physical, aesthetic, or vocational powers, including manual skill. There shall be nine grades in this service, the highest of which being Grade 1 and the lowest Grade 9.

The Navigation Service shall include all groups comprehending positions the duties of which are to perform work related to the operation, maintenance, and administration of airships, vessels and other floating craft which are not a part of the equipment of the Philippine Army, including the operation, maintenance, and administration of property designed to aid navigation. There shall be ten grades in this service.

The Vigilance Service shall include all groups comprehending positions the duties of which are to perform or supervise police or fire-protection work, the guarding of persons or property under the custody of the Government, the preservation of law and order, and the protection of life and property. There shall be ten grades in this service.

The Subprofessional Service shall include all groups comprehending positions the duties of which are to perform work which is incident, subordinate, or preparatory to the work of employees holding positions in the professional and scientific service, requiring or involving professional, scientific, or technical training of any degree inferior to that represented by graduation from a college or university of recognized standing. There shall be seven grades in this service, the highest of which being Grade 4 and the lowest Grade 10.

The Craft and Labor Service shall include all groups comprehending positions the duties of which are to perform or supervise domestic, manual, or mechanical work involved in the execution of public works; the manufacture and handling of supplies and equipment; the repair of equipment; the operation of mechanical equipment; the transportation of personnel and property; the caring for the needs of the sick and of persons in the care and custody of the Government, and/or of persons in its employ who are entitled to maintenance; or to perform or supervise work of similar character. There shall be seven grades in this service, the highest of which being Grade 4 and the lowest Grade 10.

SEC. 5. Special groups.—Positions not subject to classification by the board shall constitute the special groups, as follows:

- Executive group.—The positions included in this -group and their annual rates of compensation are:
 - The Department Secretaries, the Secretary to the President, and the Commissioner of the Budget, at twelve thousand pesos per annum each;
 - The Undersecretaries of Department, the Commissioner of Civil Service, the Commissioner for Mindanao and Sulu, the Commissioner of Health and Welfare, the Assistant Secretary to the President, and the Deputy Auditor General, at nine thousand pesos per annum each;
 - The Solicitor-General and the Securities and Exchange Commissioner, at eleven thousand pesos per annum each;
 - The Directors of Animal Industry, Commerce, Education, Forestry, Health, Lands, Mines, Prisons, National Library, Plant Industry, Posts, Printing, Public Welfare, Public Works, Science, Aeronautics, and Coast and Geodetic Survey; the Bank Commissioner; the Insular Collector of Customs, the Collector of Internal Revenue, the Treasurer of the Philippines, the Chief of the General Land Registration Office, and the Manager of the National Information Board, at seven thousand two hundred pesos per annum each: Provided, That when there is appropriation available, the President may authorize the payment of additional compensation of not more than eighteen hundred pesos per annum each to the Director of Public Works, the Director of Mines, the Insular Collector of Customs, the Collector of Internal Revenue, and the Treasurer of the Philippines;
 - The Director of Labor, the Director of the Weather Bureau, the Director of Private Education, the Director of Adult Education, the Director of the Institute of National Language, the National Physical Director, the Assistant Solicitors-General of the Bureau of Justice, the Deputy Commissioner of Civil Service, the Assistant Bank Commis-sioner and the Assistant Directors of the bureaus mentioned in sub-paragraph (4) hereof, at six thousand pesos per annum;
- Judicial Group.—The positions included in this group and their annual rates of compensations are:
 - The Presiding Justice of the Court of Appeals, at thirteen thousand pesos per annum;
 - The Associate Justices of the Court of Appeals, at twelve thousand pesos per annum each;
 - The District Judges of the Court of First Instance, at ten thousand pesos per annum each;
 - The Judges-at-large of the Courts of First Instance, at nine thousand pesos per annum each;
 - The Senior Judge of the Court of Industrial Relations, at eleven thousand pesos per annum;
 - Two other Judges of the Court of Industrial Relations, at ten thousand pesos each per annum;
 - The Public Service Commissioner, at eleven thousand pesos per annum;
 - The Deputy Public Service Commissioner, at nine thousand pesos per annum;
 - The justices of the peace of the capital of the first class provinces, at three thousand six hundred pesos per annum each; the justices of the peace of the capital of the second class provinces at three thousand pesos per annum each; the justices of the peace of the capital of the third class provinces, at two thousand four hundred pesos per annum each; and the justices of the peace of all other provincial capitals, including the capitals of sub-provinces, at one thousand eight hundred pesos per annum each;

- The justices of the peace of first-class municipalities, from one thousand two hundred to one thousand four hundred forty pesos per annum each; the justices of the peace of second class municipalities, from one thousand eighty to one thousand two hundred pesos per annum each; the justices of the peace of third class and fourth class municipalities, municipal districts and other places not specially provided for by law, from nine hundred and sixty to one thousand eighty pesos per annum each: Provided, That the Secretary of Justice shall, with the approval of the President, fix the salary of each justice of the peace within the above limitations, taking into consideration, among other things, the number of cases docketed in his court and the accessibility and means of transportation available between the different municipalities under his jurisdiction: Provided, further, That when a justice of the peace is appointed to act as justice of the peace of a district composed of two or more municipalities, or when he is designated to act temporarily in one or more municipalities in addition to his own municipality or district, in the first case, he shall be entitled to the salary of the largest municipality in his district, plus seventy-five per centum of the salary for the other municipality or municipalities therein; and, in the second case, he shall be entitled to the full salary of his municipality or district, plus seventy-five per centum of the salary for each municipality in which he is temporarily designated to act; but in no case shall he be entitled to an aggregate salary of more than two thousand and four hundred pesos per annum: And, provided, finally, That the capital of a province shall not be grouped with any municipality.

SEC. 6. Deduction for privileges.—The reasonable value, to be determined by the board, of quarters, subsistence, laundry, domestic service and other facilities furnished employees, in accordance with law, shall be deducted from their compensation: Provided, That no deduction shall be made for subsistence and rental of quarters in the case of light keepers stationed in remote and isolated places, and marine officers, petty officers, and crews of vessels and launches on board vessels to which they are assigned; nor shall deduction be made for rental of quarters for the use of barracks, outposts, guardhouses, prisons, hospitals, dormitories, and adjoining buildings and other similar structures, in the case of employees required by law or regulations to sleep or live in such quarters for the better performance of their duties; nor shall deduction be made for laundry in the case of employees of hospitals and similar institutions required by law or regulations to wear uniform, as the board may determine in each case: Provided, further, That the provisions of this section shall not be enforced in any bureau or office until the rates of salaries provided in this Act shall be in effect in that bureau or office in accordance with paragraph (d) of section ten of this Act.

SEC. 7. Compensation differentials.—Compensation differentials may be allowed to employees in certain cases at such rate or rates as the board may fix, in accordance with the schedules herein prescribed.

Differentials pertaining to different schedules are cumulative, but in no case may differentials exceeding in the aggregate twenty-five per centum of the basic compensation be allowed.

Differential Schedule A.—Employees who are stationed in disease-infested places, isolation buildings or camps, or are assigned to work in stations, clinics or laboratories which offer great dangers of contagion, despite the usual precautions known to science, or are required to tend or care for mentally deranged patients, shall be entitled to a compensation differential of not to exceed fifteen per centum of their basic compensation, but in no case shall the amount of such compensation differential exceed two hundred forty pesos per annum.

Differential Schedule B.—Employees stationed in places subject to depredation by criminal elements and are without adequate police protection, shall be entitled to a compensation differential of not to exceed fifteen per centum of their basic compensation, but in no case shall the amount of such compensation differential exceed two hundred and forty pesos per annum.

Differential Schedule C.—Employees who are not in the Vigilance Service, or Navigation Service, if assigned for a

period of not less than three consecutive months to work earlier than six o'clock in the morning, or later than eight o'clock in the evening, shall be entitled to a compensation differential of not to exceed ten per centum of their basic compensation, but in no case shall the amount of such compensation differential exceed two hundred and forty pesos per annum.

Differential Schedule D.—Employees required by law or regulations to wear uniform but are not furnished by the Government with such uniform, shall be entitled to a compensation differential of not to exceed five per centum of their basic compensation, but in no case shall the amount of such compensation differential exceed thirty pesos per annum.

SEC. 8. Prohibition against the receiving of compensation from private persons.—No employee shall receive compensation for his personal benefit, directly or indirectly, in any form, whether as salary, per diem, fee, honorarium, gift, or subsistence or travel allowance, from private persons for any service rendered in his official capacity.

SEC. 9. Salary Board.—There is created a board, to be known as the "Salary Board", to consist of the Commissioner of Civil Service, as Chairman, and the Commissioner of the Budget and the Auditor General as members, a

SEC. 10. General powers and duties of the board.—The board shall have the following powers and duties:

- To establish within the services the necessary groups with their corresponding grades, designating (1) the titles of the classes, (2) the duties and responsibilities involved in each class, illustrated where necessary by examples of typical tasks, and (3) the minimum qualifications required for the satisfactory performance of such duties and tasks, in conformity with the specifications outlined in sections three and four herein: Provided, however, That the board may lower or waive the experiential requirement for any particular group or groups in the service below Grade 8-and graduate the experiential requirement accordingly for the high grades within the same group, if, in the opinion of the said board, such action is for the best interest of the public service;
- To designate additional group or groups with their corresponding grades as necessity may arise from time to time, and to combine, divide, alter, or abolish existing groups or classes;
- To establish the procedure in fixing the rates of compensation in the case of (1) positions filled by inmates, patients, students, beneficiaries of government institutions, or volunteer workers, (2) positions of laborers employed in public works, and in emergency and seasonal positions, the duties of which are purely of temporary duration, (3) positions filled by part-time employees or by special assignments, and (4) positions paid on other than time basis;
- To classify all the positions existing on the date this Act takes effect and all positions that may thereafter be created based on statements to be submitted by the Department Heads concerned, giving the responsibilities and duties of the said positions and the minimum qualifications required of incumbents thereof; and to fix the date the initial allocations shall take effect in each bureau or office, which date shall not be later than January first, nineteen hundred and forty, unless extended by the President of the Philippines. The Department Heads shall submit the statements herein required at the time and in the manner and form prescribed by the board;
- To ascertain currently or periodically the facts as to the duties and responsibilities of any position within the scope of this Act and to determine upon its own find-ings the class to which any such position shall be allo-cated ;
- To make all other rules and regulations and to exercise all the powers and duties not inconsistent with the

provisions of this Act but necessary to carry out its provisions.

SEC. 11. Personnel of the board.—Upon recommendation of the board, the President shall designate and detail such employees of the Government or its dependencies as may be required, to assist the Salary Board to carry out the purposes of this Act. If and when necessary, the President may appoint and fix the salary of an executive officer of the board, whose term of office shall not exceed one year.

SEC. 12. Adjustment of compensation.—Upon the date -of the taking effect of the allocation of positions in a bureau or office, the. compensation of the employee therein shall be adjusted in the following manner:

- If the employee is receiving compensation less than the minimum rate of the grade to which he is allocated, his compensation shall be increased to the minimum rate;
- If the employee is receiving compensation within the range of salary prescribed for the appropriate grade at one of the rates fixed therein, no change shall be made;
- If the employee is receiving compensation within the range of salary prescribed for the appropriate grade but not at one of the rates fixed therein, his compensation shall be increased to the next higher rate;
- If the employee is receiving compensation in excess of the range of salary prescribed for the appropriate grade, his compensation shall not be reduced while he occupies the same position.

.SEC. 13. Adjustment of increases.—Such part of the savings in the appropriations as provided for in the General Appropriation Acts for the years nineteen hundred thirty-eight and nineteen hundred thirty-nine as may not be needed for other purposes authorized by law, shall, in the discretion of the President of the Philippines, be available to cover adjustments in compensation under the provisions of this Act.

SEC. 14. Limitations of salary rates.—All original appointments shall be made at the minimum rate of compensation for the appropriate grade, except as otherwise provided in this Act; and no appointments to positions subject to the provisions of this Act shall be made except at rates of compensation in conformity to the rates prescribed herein: Provided, however, That in the case of employees in Grade 10, entrance salary may be fixed by the board at the maximum rate.

SEC. 15. Temporary employments not made permanent by the provisions of this Act.—Nothing contained in this Act shall be construed to make permanent any temporary appointment made or authorized under existing laws.

SEC. 16. Salary payment not allowed for positions not classified and allocated by the board.—From the date the r initial classification and allocation takes effect in a bureau or office, in accordance with section ten of this Act, no payment of salary shall be allowed to employees who occupy positions in that bureau or office when such positions have not been properly classified and allocated by the board as in this Act required.

SEC. 17. Appropriations to carry out the purposes of this Act.—There is appropriated, out of any funds in the Philippine Treasury not otherwise appropriated, the sum of fifteen thousand pesos, or so much thereof as may be necessary, to cover salaries, wages, sundry expenses, and purchase of equipment for the Salary Board.

SEC. 18. Repeals.—Act Numbered Twenty-six hundred and sixty-eight; sections two hundred sixty-five, two hundred sixty-six, and nine hundred sixty-six of the Administrative Code, and Commonwealth Act Numbered One hundred sixty-five, are repealed.

SEC. 19. Effective date.—This Act shall take effect upon its approval.

Approved, September 13, 1938.

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